

**Interagency Agreement**  
**between**  
**Washington State Department of Transportation**  
**and**  
**Office of Minority and Women's Business Enterprises**

This Interagency Agreement is entered into this 1st day of July, 1999, between the Washington State Department of Transportation (hereinafter called "WSDOT") and the Office of Minority and Women's Business Enterprises (hereinafter called "OMWBE") to provide mutually advantageous terms for cooperation between the WSDOT and OMWBE to implement the United States Department of Transportation (USDOT) Disadvantaged Business Enterprise (DBE) program.

WHEREAS, WSDOT is required to comply with 49 Code of Federal Regulations (CFR) Part 26 through its assurances and obligations entered into with USDOT; and

WHEREAS, WSDOT and USDOT requires and will continue to require that contractors on their federal contracts meet the various applicable DBE requirements by utilizing businesses certified by OMWBE as bona fide DBEs; and

WHEREAS, WSDOT and OMWBE find it mutually advantageous to make the most efficient use of their resources; and

WHEREAS, WSDOT is mandated by the USDOT to conduct an annual review of the DBE certification process to ensure OMWBE's compliance with federal certification requirements.

NOW THEREFORE, WSDOT and OMWBE agree that their respective responsibilities shall be defined as follows:

**I. WSDOT Responsibilities**

1. WSDOT shall conduct an annual process review of OMWBE's certification of DBE firms to ensure compliance with the various federal regulations. It is agreed between WSDOT and OMWBE that the review shall be conducted during the month of November on a mutually agreed upon date.
2. WSDOT shall be responsible for monitoring DBE firms to ensure the performance of a Commercially Useful Function on WSDOT's federally funded contracts.
3. WSDOT agrees to timely notify OMWBE of any federal law or regulation changes which affect the certification process.

4. WSDOT agrees to notify OMWBE of any third party complaints questioning a DBE firm's certification; and, in turn, OMWBE agrees to notify WSDOT of any third party challenge to a DBE proposed certification.
5. WSDOT and OMWBE mutually agree to assist one another in the investigation of third party complaints relating to federal certification requirements.
6. WSDOT agrees to notify OMWBE of determinations of noncompliance pertaining to a firm's failure to perform a Commercially Useful Function; and also to notify OMWBE of any suspensions or disbarments for cause of any DBE firm.
7. WSDOT agree to apprise OMWBE of any WSDOT or USDOT training relevant to certification and compliance function and agrees that OMWBE may use funds from this agreement to pay per diem and travel cost to those staff persons it designates to attend and/or provide these training functions, within the maximum amount specified in Section III below.

## II. OMWBE Responsibilities

1. OMWBE shall be responsible for the certification and recertification of eligible firms wishing to participate or continue to participate in USDOT related programs as DBE firms.
2. OMWBE shall be responsible for maintaining necessary federal reporting documentation as required by 49 CFR part 26, including statistical data as required in this regulation and by reference made part of this agreement.
3. OMWBE agrees to cooperate on behalf of WSDOT and USDOT in any reviews of the OMWBE or any firm certified or being proposed for certification, including firms denied, administratively closed, or decertified pursuant to the normal administrative process or resulting from any third party challenge or complaint.
4. OMWBE agrees to conduct on-site reviews prior to the issuance of DBE certification for all firms applying for DBE status. This applies to firms whose primary activities are related to highway construction, transit, aviation or are in support thereof, in determining eligibility for participation in Federal-Aid Transportation programs. In determining what constitutes "activities related to Transportation or activities in support thereof," OMWBE will use as guidance Appendix #1 to the Interagency Agreement and the Standard Industrial Classification Manual published by the Executive Office of the President, Office of Management and Budget.\*

\*OMWBE shall implement the North American Industrial Classification System (NAICS) no later than September 1, 1999 or at such time as implemented by USDOT. Thereafter, all references in this agreement to the Standard Industrial Classification (SIC) Code System shall be deemed to refer to the appropriate section of the NAICS.

5. The parties agree that the intent of this paragraph is to insure that those applicant firms who are most likely to engage in transportation related work receive on-site validation.

6. OMWBE agrees to conduct annual updates and recertifications as required by 49 CFR part 26 of all firms on a priority basis, beginning with:
  - a. firms who have participated in federally funded projects over the past two years
  - b. firms most likely to participate in federally funded projects and questionable firms; and
  - c. firms unlikely to participate in transportation related work.
7. OMWBE agrees that in situations where there is disagreement about any interpretation concerning DBE certification requirements, WSDOT will be guided by federal regulation and will be the ultimate authority on the WSDOT/USDOT related DBE program.
8. OMWBE shall designate four (4) FTEs, three of which shall work exclusively on USDOT transportation related DBE requirements.
9. OMWBE will be responsible for the adequate training of its DBE assigned specialists as it relates to 49 CFR Part 26 certification requirements.
10. To facilitate the timely performance of WSDOT's responsibilities under section I above, and upon prior request of WSDOT, OMWBE agrees to make its files and records available to WSDOT staff for inspection and copying without prior review for possible exceptions from public disclosure. Additionally, and absent any previously scheduled commitments, OMWBE shall make its DBE assigned specialists available to provide such technical assistance as WSDOT staff may reasonably require for purposes of inspection and copying OMWBE files and records.
11. OMWBE shall provide WSDOT with monthly reports of DBE certification activities. This report will include, but not be limited to, lists of DBE firms certified, recertified and administratively removed, on-site reviews conducted (include names of firms), appeals, court and/or legal reviews, complaints and determinations.
12. OMWBE shall (with the assistance of WSDOT) provide WSDOT with updated DBE "priority"\* certification lists.

\* ( Those firms found under Part II, Section 6, Subsections a. & b.)

## Payment

WSDOT in consideration of the faithful performance of the certification to be done by OMWBE, agrees to pay OMWBE the lump sum amount of \$262,500.00. This amount shall be payable in four equal payments of \$65,625.00. Partial payments shall be made by WSDOT to OMWBE once per quarter. It is agreed that payment will not constitute approval of the expenditure of these funds and that, if a state audit should reveal discrepancies, all required adjustments will be made by OMWBE.

### Estimate of cost:

Salaries for four FTEs	\$183,750.00
Benefits	52,500.00
Travel	21,000.00
Space, Supplies, Misc. exp.	<u>5,250.00</u>
Total Budget amount	\$262,500.00

## IV. Terms of Agreement


This agreement shall be effective from July 1, 1999 to June 30, 2000, unless one of the following occurs:

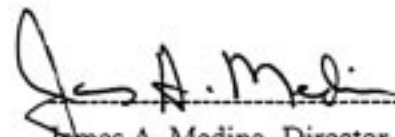
1. Federal approval of the certification responsibility delegated by WSDOT is withdrawn; in which case, this agreement is effectively terminated on the date of notification, or this agreement is terminated.
2. The agreement is amended or terminated by written amendment or termination signed by WSDOT and OMWBE.
3. Either party may terminate the agreement upon Thirty (30) days written notice.

## V. Inspection of Cost Records

OMWBE shall keep available for inspection by representatives of the WSDOT and the USDOT, for a period of three years after final payment, the cost records and accounts pertaining to this AGREEMENT and all items related to or bearing upon these records with the following exception: if any litigation, claim or audit arising out of, in connection with, or related to this contract is initiated before the expiration of the three year period, the cost records and accounts shall be retained until such litigation, claim, or audit involving records is completed. Copies of these records shall be furnished when requested by a representative of WSDOT or the United States Department of Transportation.

In witness, whereof, the parties hereto have executed this AGREEMENT as of the day and year first written above.

 7/5/99  
Sid Morrison, Secretary      Date  
Washington State Department  
of Transportation

 7/9/99  
James A. Medina, Director      Date  
Washington State Office of Minority  
and Women's Business Enterprises

APPROVED AS TO FORM ONLY:

 7-14-99  
Assistant Attorney General      Date

 7-6-99  
Assistant Attorney General      Date

## **APPENDIX # 1**

In accordance with Section II OMWBE Responsibilities: in the FY2000 Interagency Agreement, the following Classification Codes are recommended to assist OMWBE in prioritizing new applicant requests for DBE certification. These Classification Codes have work specialties that highway and ferry construction, transit, and aviation firms would likely be classed under. This selection is to be used as a guide and is not intended to substitute the judgment of the classifier or circumvent the provisions set forth in 49 CFR Part 26.

### **SIC Codes**

**0780, 1442, 1541, 1611, 1622, 1623, 1629, 1711, 1721, 1731, 1741, 1742, 1751, 1752, 1761, 1771, 1791, 1781, 1794, 1795, 1799, 3441, 3446, 3499, 3648, 3731, 3732, 4212, 4213, 4215, 4499, 4953, 4959, 5031, 5032, 5039, 5045, 5046, 5051, 5063, 5074, 5075, 5078, 5082, 5083, 5084, 5085, 5087, 5088, 5169, 5172, 7336, 7349, 7371, 7372, 7373, 7374, 7379, 7389, 7539, 7549, 8711, 8712, 8713, 8721, 8731, 8732, 8734, 8741, 8742, 8743, 8744, 8748.**